

## DEPARTMENT OF HEALTH SERVICES

714/744 P STREET  
SACRAMENTO, CA 95814



June 9, 1989

Letter No.: 89-24

TO: All County Welfare Directors  
All County Administrative Officers

SUBJECT: OVERPAYMENT REFERRAL PROCESS

Due to ongoing discussions with the Department of Health Services (DHS) Recovery Branch, a recent overpayment policy decision was made which will require several changes to All County Welfare Directors Letter (ACWDL) No. 89-23.

Because of enhanced collection capabilities, the Recovery Branch requested that the thresholds for reporting wage/earnings based potential overpayments be lowered from \$1,000 to \$100 for cases where the county is not able to verify IEVS match information because of loss of contact.

Also, ACWDL No. 89-23 contained an error regarding fraud referrals by counties. Counties will not be required to determine if fraud is involved in an overpayment case. The determination of fraud will be the responsibility of DHS Recovery or Investigations Branch. The counties only are required to make the appropriate referrals.

Following are the correct procedures counties shall follow when working Medi-Cal-Only potential overpayment cases:

I. Potential Overpayments - Excess Property

A. Potential Overpayments - \$1 to \$100

No referral is required.

B. Potential Overpayments - \$100 or More

All asset-based potential overpayments of \$100 or more will be sent to the appropriate DHS Investigations field office. (See Attachment I)

II. Potential Overpayments - Wages/Earnings

A. Potential Overpayments - \$1 to \$100

No referral is required.

B. Potential Overpayments - \$100 to \$5,000

All wage/earning-based potential overpayments of \$100 to \$5,000 will be referred directly to DHS Recovery Branch. (See Attachment I for address.)

C. Potential Overpayments - \$5,000 or More

All wage/earning-based potential overpayments of \$5,000 or more will be referred directly to the appropriate Investigations field office.

III. Suspected Fraud - Property and Wage/Earning Referrals

- A. If the Recovery Branch determines fraud exists in any referral received from the county, the case will be referred to the appropriate Investigations Branch field office for action. The county will be notified of the case status. (For IEVS referrals, DHS Recovery Branch will notify the county if a collection case is not established.)
- B. If the Investigations field office determines fraud does not exist in any referral received from the county, the case will be forwarded to DHS Recovery Branch. The county will be notified of the case status.

IV. Referral Package

Attached for your use and distribution (Attachment II) is a list of the required forms to be included in the overpayment referral package. It is suggested that counties use this document as a checklist for their referrals.

Note: After several meetings with Recovery Branch, it has been decided there will be no change in the Referral package to Recovery.

V. Revised MC 609, MC 224A/B

Also attached for your information are copies of the revised MC 609 (Confidential Medi-Cal Complaint Report), MC 224A (Potential Overpayment Reporting Worksheet - Income) and MC 224B (Potential Overpayment Reporting Worksheet - Property). (See Attachments III, IV, and V.) The MC 224A and MC 224B replace the MC 239E (Medi-Cal Notice of Action, Overpayment and Repayment Instructions). The MC 224A/B are now available in the warehouse. The revised MC 609 is not currently available. Counties may use the current MC 609 until the revised form is available. Instructions for completion will be contained in a follow-up Medi-Cal Eligibility Manual letter.

All County Welfare Directors  
All County Administrative Officers  
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If you have any questions regarding the information contained in this letter,  
please contact Maggie Roggero of my staff at (916) 324-4966.

Sincerely,

Original signed by

Frank S. Martucci, Chief  
Medi-Cal Eligibility Branch

Attachments

cc: Medi-Cal Liaisons  
Medi-Cal Program Consultants

Expiration Date: June 9, 1990

## COUNTY REFERRALS TO DHS, INVESTIGATIONS

- 1) Sacramento  
1250 Sutterville Rd., Rm. 130  
Sacramento, CA 95822  
(916) 324-8447  
  
Alpine      Amador  
Butte      Calaveras  
Colusa      El Dorado  
Glenn      Lassen  
Modoc      Nevada  
Placer      Plumas  
Sacto.      Shasta  
Sierra      Siskiyou  
Sutter      Tehama  
Trinity      Tuolumne  
Yolo      Yuba
- 2) Fresno  
3374 E. Shields Ave., Rm. E-1  
Fresno, CA 93726  
(209) 445-5516  
  
Fresno      Kings  
Madera      Mariposa  
Merced      Tulare
- 3) San Francisco  
939 Market Street, Ste. 204  
San Francisco, CA 94103  
(415) 557-2330  
  
Alameda      Contra Costa  
Del Norte      Humboldt  
Lake      Marin  
Napa      San Francisco  
San Mateo      Solano  
Sonoma      Mendocino
- 4) San Jose  
111 N. Market Street, Rm. 420  
San Jose, CA  
(408) 277-1749  
  
Monterey      San Benito  
San Joaquin      Santa Cruz  
Santa Clara  
Stanislaus
- 5) Bakersfield  
4800 Stockdale Hwy.  
Bakersfield, CA 93309  
(805) 395-2705  
  
Inyo      Kern  
Mono      San Luis Obispo
- 6) Santa Ana  
28 Civic Center Plaza, Rm. 840  
Santa Ana, CA 92701  
(714) 558-4503  
  
So. Los Angeles      Orange
- 7) Los Angeles  
1449 W. Temple Street, Rm. 225  
Los Angeles, CA 90026  
(213) 620-2335  
  
Los Angeles      Santa Barbara  
Ventura
- 8) San Bernardino  
1840 Commercecenter Circle  
San Bernardino, CA 92408  
(714) 383-4667  
  
Riverside      San Bernardino
- 9) San Diego  
1350 Front Street, Rm. 4021  
San Diego, CA 93101  
(619) 237-7947  
  
Imperial      San Diego
- 10) Toll Free Numbers  
  
Northern Region Investigations:  
(for #'s 1,2,3 and 4)  
1-800-822-6223  
  
Southern Region Investigations:  
(for #'s 5 thru 9)  
1-800-822-6222
- 11) COUNTY REFERRALS TO DHS, RECOVERY  
  
Department of Health Services  
General Collections Section  
1250 Sutterville Road, Room 206  
Sacramento, CA 95822  
(916) 322-2280  
1-800-238-3377

REQUIRED FORMS FOR REFERRAL PACKAGES

For both Resources/Assets and Wages/Earnings potential overpayments, the referral package to DHS shall include:

(DO NOT SEND ORIGINAL COUNTY RECORDS)

1. MC 609  
1 Copy  
Confidential Medi-Cal Complaint Report  
(Attachment III)
  - Note in upper right hand corner:
    - o "IEVS" in red ink (if applicable)
    - o Case status (note whether case is open or closed and the date case was opened or closed).
  
2. MC 224 A/B  
Medi-Cal Potential Overpayment Reporting  
Worksheet - Income/Property  
(Attachment IV & V)
  - Note in upper right hand corner:
    - o "IEVS" in red ink (if applicable)
    - o Case status (note whether case is open or closed and the date was opened or closed).
  
- Note:  
If the county is unable to establish an overpayment period or potential overpayment amount, complete the MC 224 A/B with all available information.
  
3. MC 210  
1 Copy (or State  
approved county form)  
Medi-Cal Statement of Facts
  - Include all MC 210's covering the potential overpayment period.
  
4. MC 217  
1 Copy  
Medi-Cal Responsibility Checklist
  - Include all MC 217's covering the potential overpayment period.
  
5. MC 176R  
1 Copy (or State  
approved county form)  
- Resource Verification Questionnaire

ATTACHMENT II

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6. IEVS Abstract  
1 Copy
  - Assets/Earnings clearance
7. Bank Records
  - Copies of all statements provided by client
8. Earnings Statements
  - Copy from EDD, and copies of all client's pertinent pay stubs.
  - Copy of employer's report
9. Case Narrative  
1 Copy
  - Copy of case narrative relating to the potential overpayment period.

## ATTACHMENT III

State of California—Health and Welfare Agency

Department of Health Services

## FOR DHS STAFF USE ONLY

CONFIDENTIAL  
MEDI-CAL  
COMPLAINT REPORT☐ IEVS☐ non-IEVS

## CASE STATUS

☐ Active

Effective Date \_\_\_\_\_

☐ Closed

Effective Date \_\_\_\_\_

Case No. \_\_\_\_\_

Date \_\_\_\_\_

1. Who is complaint against:

☐ Provider (Give Medi-Cal Provider No. if Known) Provider No.: \_\_\_\_\_☐ Recipient (Give SSN and Date of Birth Below) County Case No.: \_\_\_\_\_

Name (Recipient/Provider) \_\_\_\_\_

SSN \_\_\_\_\_

DOB (M/D/Y) \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_

ZIP \_\_\_\_\_

Telephone \_\_\_\_\_

2. Name of Person Reporting Complaint \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_

ZIP \_\_\_\_\_

Telephone \_\_\_\_\_

Synopsis of Complaint (If client has an authorized representative, provide name, telephone number and address here. If additional space is required, attach a second sheet.)

Complaint taken by (if different than No. 2) \_\_\_\_\_

Date \_\_\_\_\_

Address \_\_\_\_\_

Telephone \_\_\_\_\_

## FOR DHS STAFF USE ONLY

Initial/Date \_\_\_\_\_

Action Taken \_\_\_\_\_

☐ MEDS☐ Unfounded Allegation☐ CDR☐ Case Opened☐ Other \_\_\_\_\_☐ Referred to \_\_\_\_\_

Signed to: \_\_\_\_\_

Date \_\_\_\_\_

## MEDI-CAL POTENTIAL OVERPAYMENT REPORTING WORK SHEET—INCOME

☐ I EVs☐ non-IEVs

County ID:	County	Aid	Serial	FBU	Case Status
Recipients Included In Potential Overpayment					<input type="checkbox"/> Active—effective date: _____ <input type="checkbox"/> Closed—effective date: _____
					Social Security Number _____ Recipient Phone Number (    ) _____

The share of cost should have increased for the period(s) \_\_\_\_\_  
because \_\_\_\_\_

and the county was not informed;

☐ on the statement of facts      ☐ within ten days of the change stated above.

The overpayment is computed as follows: (County completes boxes 1–6.)

[illegible]

Total Actual Overpayment \$

If additional space is required, attach a second sheet.

Name (PLEASE PRINT) \_\_\_\_\_

County

Signature \_\_\_\_\_

EW No.

Phone Number

1 ( )



☐ non-IEVsMC 224B (2/89) (replaces MC 239E)